

## HEALTH CARE COVERAGE REQUIREMENTS. REFERENDUM.

PROP

72

### ARGUMENT Against Proposition 72

Real health care reform should control costs and cover more people, but Proposition 72 fails that test. Passed by the Legislature with no meaningful hearings and signed by Governor Davis just days before he was recalled, Proposition 72 creates a huge government-run health care system funded by an estimated \$7 billion in new taxes by 2007 on employers and workers.

#### WORKERS MAY LOSE PRIVATE COVERAGE

Proposition 72 may hurt people who already have health coverage through their employer. You could get forced out of your current plan and into the government-run system! Under Proposition 72 you could lose access to your personal doctor and hospital and end up with a high deductible policy that requires you to pay thousands out of your pocket before getting coverage.

#### BUREAUCRATS GIVEN TOO MUCH POWER

Under Prop. 72, bureaucrats determine what medical services and providers are covered by the state-run health system and how much you'll pay to support the government-run plan. There are no caps on the administrative fees they can charge. The Orange County Register called it health care with, "the bedside manner of the DMV."

#### PAY WHETHER YOU WANT IT OR NOT

Proposition 72 is poorly written. You can't decline coverage even if you don't want it or can't afford your share of costs! Employees will pay up to 20% of the cost!

#### KILLS JOBS/ECONOMY

Proposition 72 will damage California's economy and mean MORE PEOPLE WITHOUT INSURANCE because thousands will lose their jobs as companies close or move out of state. California businesses already struggling with high workers' comp and energy costs just can't afford billions in new health care costs.

#### COSTS WORKERS \$1,700 PER FAMILY

Covered workers will be forced to pay up to 20% of the premiums. The Los Angeles Economic Development Corporation estimates family coverage will cost workers up

to \$1,700 per year.

Employers must pay 80% of the cost. Many must also pay for dependent coverage, costing over \$6,800 per worker each year.

#### COSTS SCHOOLS AND NONPROFITS MILLIONS

The Association of California School Administrators says Proposition 72 will cost school districts hundreds of millions annually—money urgently needed in classrooms! Non-profit organizations like Easter Seals and the Goodwill of Long Beach and South Bay oppose Prop. 72 because it makes it harder to provide services to people in need.

Here's how Proposition 72 damages Californians:

"At Easter Seals, the high costs and mandates of Proposition 72 will force us to stop creating new and needed services for people with disabilities."

Gary Kasai, President, Easter Seals Superior California  
"Proposition 72 will mandate the worst kind of managed health care we have. This means there will be more and more patients with terrible insurance."

Thomas LaGrelus, M.D., President, California Chapter, Association of American Physicians and Surgeons

"Prop. 72 will discourage those of us who have worked so hard to fulfill the American dream from growing their business and providing more jobs in our communities. Some will simply have to close shop."

C.C. Yin, Restaurant Owner

JOIN EMPLOYERS, EDUCATORS, DOCTORS, NON-PROFITS, AND TAXPAYERS: VOTE NO ON PROPOSITION 72!

ALLAN ZAREMBERG, *President*  
*California Chamber of Commerce*

SANDRA CARSTEN, *President*  
*Association of California School Administrators*

JAMES G. KNIGHT, M.D., *2003 President*  
*San Diego Medical Society*

### REBUTTAL to Argument Against Proposition 72

Opponents are using scare tactics so voters will be afraid to approve protections for employees. Their claims are false.

#### SCARE TACTIC: GOVERNMENT HEALTH CARE REPLACES PRIVATE COVERAGE

Prop. 72 sets standards for health coverage and the share of costs employers must pay—just like the minimum wage sets standards for wages.

"Prop. 72 is the opposite of government-run health care. It strengthens private employer health insurance." John Garamendi, *California Insurance Commissioner*

If you already get health insurance from your employer, your employer can keep that same coverage under 72 and can continue to pay up to 100% of premiums. You get the security of knowing your employer cannot pay less than 80% of premiums and must maintain preventive care, prescription drugs, and major medical.

#### SCARE TACTIC: 72 COSTS MORE

Opponents claim premiums could be \$1,700 under 72. But the average California family ALREADY pays \$2,452 in premiums (*Sacramento Bee*, 3/17/04).

Under 72, the average California family will *save money*.

#### SCARE TACTIC: JOB KILLER

- Corporate lobbyists always complain about California's business climate, but California is the world's 6th largest economy.
- 93% of California's restaurants and retailers are exempt.
- Businesses will benefit from a healthier, more productive workforce.

#### IF WE DO NOTHING:

- Employee premiums will keep rising.
- More working families will be uninsured.
- Taxpayers will continue paying health care costs for employees of big companies like Wal-Mart and McDonalds.

Don't be confused by scare tactics. 72 keeps private health care within the reach of California families.

PAUL KIVELA, M.D., *President*  
*California Chapter American College of Emergency Physicians*

BARBARA E. KERR, *President*  
*California Teachers Association*

TOM PORTER, *California State Director*  
*AARP*